



Missouri Department of Natural Resources Energy Center

MISSOURI ENERGY BULLETIN

November 10, 2005

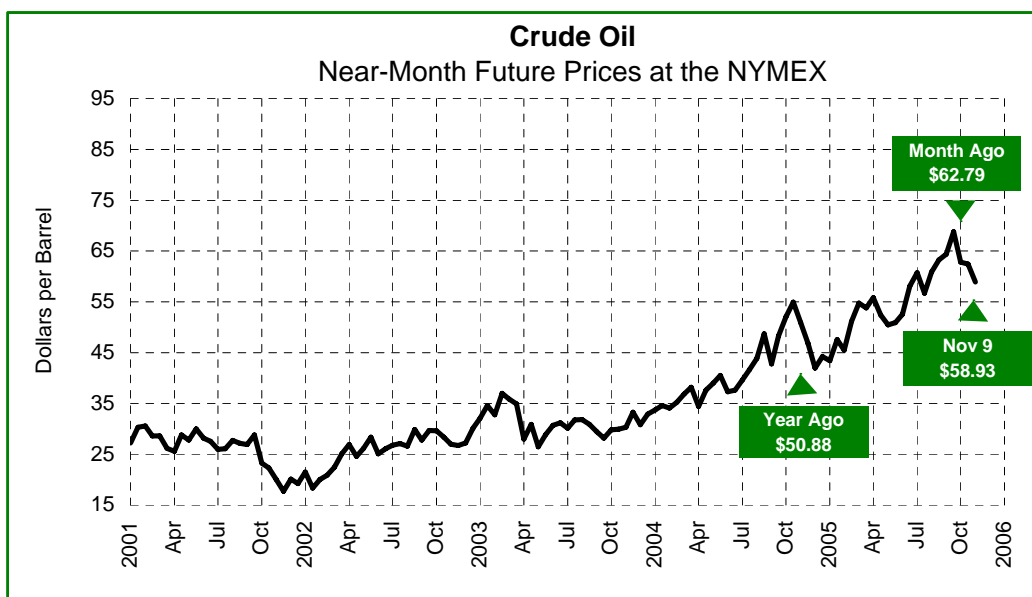
Crude Oil

On Nov. 9, NYMEX crude oil futures closed at \$58.93 per barrel, after a large build in crude oil inventories and as offshore output in the Gulf Region continued to recover from hurricane damage.

Crude Oil - Near Month Future Prices (dollars per barrel)

	<u>11-09-05</u>	<u>10-05-05</u>	<u>change</u>	<u>11-03-04</u>	<u>change</u>
NYMEX	\$58.93	\$62.79	down 6%	\$50.88	up 16%

- Crude oil futures for December delivery on the NYMEX dipped \$0.78 lower on Nov. 9 to settle at \$58.93 per barrel in response to U.S. Energy Information Administration (EIA) data showing a large rise in crude stocks and in motor gasoline stocks for the week.



- EIA reports domestic crude supplies rose 4.5 million barrels to 323.6 million barrels, up for the 5th consecutive week. According to the U.S. Minerals Management Service (MMS), as of Wednesday, Nov. 9, more than 50% of the Gulf's 1.5 million barrels per day of crude production was back on line.
- For the week ending Nov. 4, U.S. crude oil production improved by 238,000 barrels per day, moving from 4.07 to 4.3 million barrels per day. Current production is still below the 5.3 million barrels per day reported at this time last year. Crude oil imports increased 500,000 barrels moving from 10.06

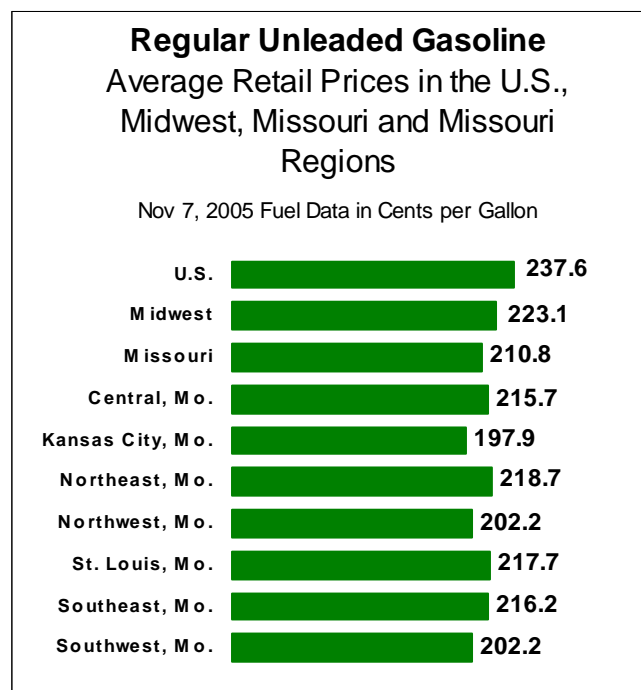
million to 10.58 million barrels per day. Crude oil imports were estimated at 10.49 million barrels per day at this time last year.

Transportation Fuels

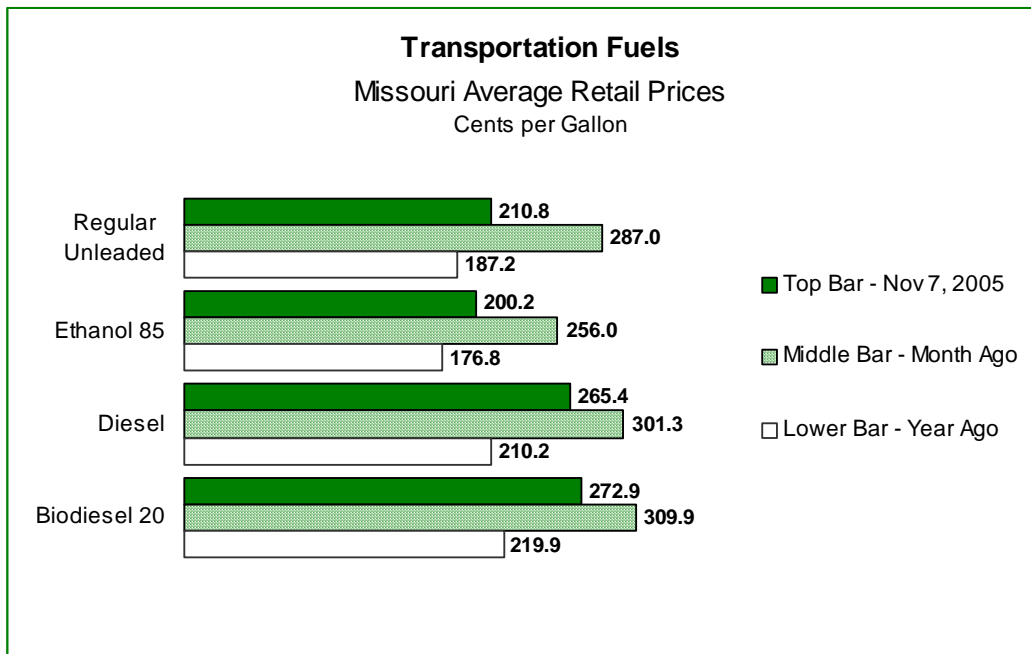
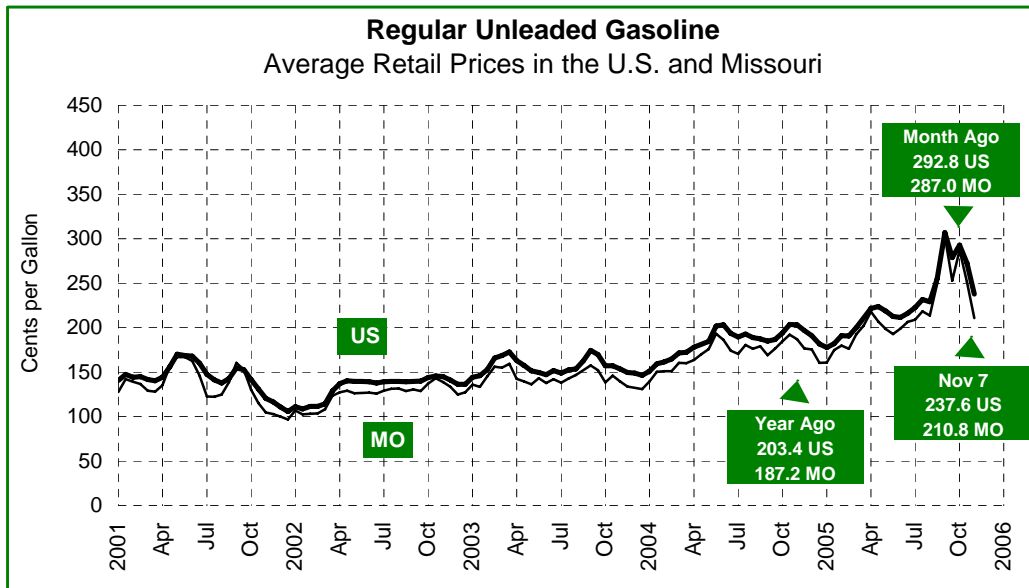
On Nov. 7, Missouri's average retail price for regular unleaded gasoline and diesel fuel was \$2.10 and \$2.65 per gallon, respectively, with price declines related to recovery of Gulf Region refineries.

<i>Regular Unleaded Gasoline - Retail Prices (cents per gallon)</i>					
	<u>11-07-05</u>	<u>10-03-05</u>	<u>change</u>	<u>11-01-04</u>	<u>change</u>
US	237.6	292.8	down 19%	203.4	up 17%
Missouri	210.8	287.0	down 27%	187.2	up 13%

<i>Diesel Fuel - Retail Prices (cents per gallon)</i>					
	<u>11-07-05</u>	<u>10-03-05</u>	<u>change</u>	<u>11-01-04</u>	<u>change</u>
Missouri	265.4	301.3	down 12%	210.2	up 26%



- Missouri's statewide average gasoline and diesel retail prices are now 27 and 12 percent lower, respectively, than at this time last month. Missouri's average retail price for diesel fell 36 cents from last month due to stable domestic diesel supplies and higher production levels. U.S. retail gasoline prices hit a record \$3.07 per gallon a week after Hurricane Katrina struck in late August.
- Distillate stocks, which include heating oil and diesel fuel, fell 100,000 barrels to 120.8 million barrels. It was the 7th stock draw in a row. Distillate production fell slightly, but imports increased to 496,000 barrels per day, from 323,000 the week before, limiting the drawdown.
- Midwest Region motor gasoline supplies moved slightly higher to 49.8 million barrels as of the week ending Nov. 4 but stand about 2 million barrels lower compared to supplies this time last year.



- For the week ending Nov. 4, U.S. gasoline stocks increased 4.2 million barrels to 201.1 million barrels. Demand rose to 9.2 million barrels per day, from 9 million the week before. Gasoline imports topped 1.1 million barrels per day, and have averaged 1.23 million barrels per day over the last four weeks. Gasoline supplies are down 0.2 million barrels from a year ago.

Coal

Coal - Spot Prices (dollars per ton)					
	Oct '05	Sep '05	change	Oct '04	change
Powder River	\$11.17	\$10.31	up 8%	\$6.50	up 72%

- Powder River Basin coal spot prices have been trending up all year. From the first week in January to the third week in September, there was an increase of 64 percent, moving from \$6.20 to \$10.19 per short ton – a \$3.99 gain.
- According to the EIA, many coal buyers and sellers expect the prices to remain elevated because coal supplies and inventories are tight at the same time as coal demand is increasing, and neither the tight coal supplies and inventories nor the increasing demand are expected to be resolved quickly.

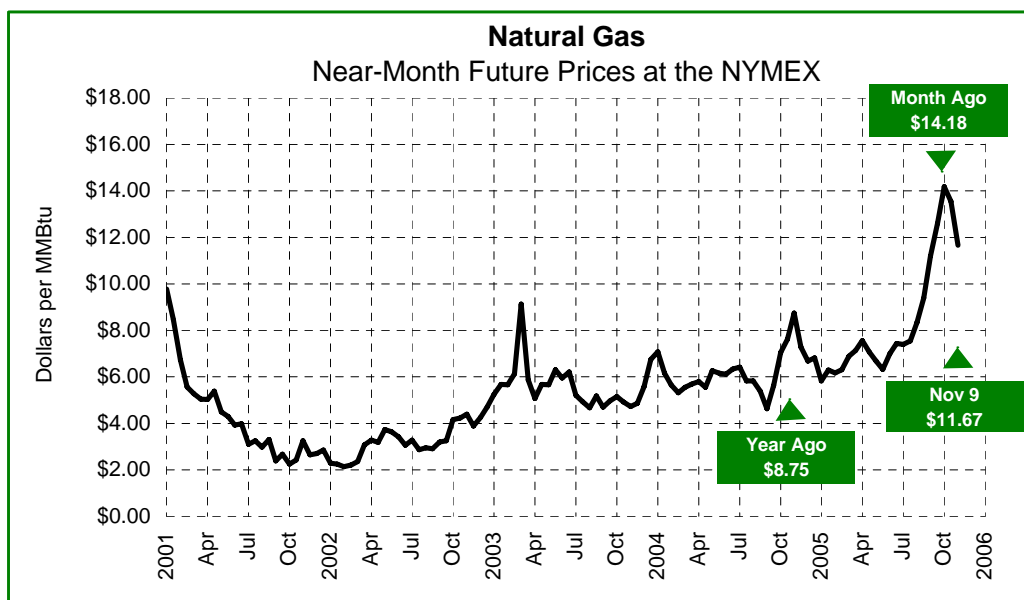
Natural Gas

Approximately 57 percent (1,261,397) of Missouri households use natural gas to heat their homes. Natural gas is also used to produce goods and electricity.

On Nov. 9, natural gas futures closed at \$11.67 per MMBtu, a decrease of \$2.51 since last month yet \$2.92 or 33 percent higher than this time last year due to continued shut-in natural gas production in the Gulf of Mexico.

Natural Gas - Near Month Future Prices (dollars per mmbtu)					
	11-09-05	10-05-05	change	11-03-04	change
NYMEX	\$11.67	\$14.18	down 18%	\$8.75	up 33%

- On Nov. 9, the price of the NYMEX futures contract for December delivery settled at \$11.67 per MMBtu. Since Wednesday, October 26, natural gas spot prices decreased at virtually all market locations in the Lower 48 States, with decreases exceeding \$4 per MMBtu at most markets in response to warmer-than-expected temperatures.
- Working gas in storage totaled 3,168 Bcf as of Friday, October 28, which is 2.6 percent above the 5-year average inventory level for the report week, according to EIA's Weekly Natural Gas Storage Report.
- According to the EIA as of Nov. 8, on average, households heating primarily with natural gas likely will spend \$306 (41 percent) more for fuel this winter than last winter (October 2005 through March 2006).



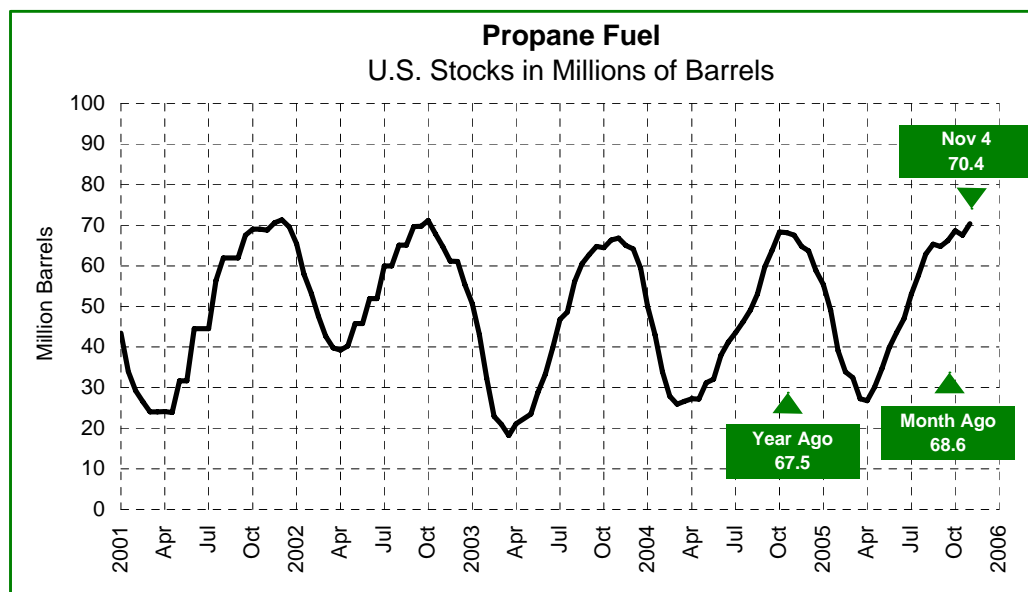
Propane

Approximately 13 percent (293,803) of Missouri households heat with propane, which is also used to support commercial operations, produce goods, dry grain harvests and fuel vehicles.

Missouri's average retail propane price was \$1.67 per gallon on Nov. 7, down 2.0 cents from a month ago, and 11 cents or 7 percent higher than a year ago.

<i>Propane - Residential Prices (cents per gallon)</i>					
	<u>11-07-05</u>	<u>10-03-05</u>	<u>change</u>	<u>11-01-04</u>	<u>change</u>
Missouri	166.9	168.9	down 1%	155.7	up 7%

- As of November 4, U.S. inventories of propane continued to build with a 1-million-barrel gain that placed the nation's primary supply of propane at an estimated 70.4 million barrels. The weekly build pushed inventories to their highest level in nearly four years, just slightly below the level reached on December 7, 2001, that totaled nearly 70.8 million barrels.
- Midwest inventories posted a decline of 0.2 million barrels, moving from 24.02 to 23.75 million barrels. Inventories stood at 21.8 million barrels at this time last year.
- The combination of the recovery in propane production facilities that continued to report higher production, strong imports, moderate weather and weak crop-drying demand all contributed to the post season gains in propane inventories over the past several weeks.
- According to the EIA as of Nov. 8, households heating primarily with propane can expect to pay, on average, \$230 (21 percent) more this winter than last (October 2005 through March 2006).



The Missouri Energy Bulletin is distributed twice a month by the Missouri Department of Natural Resources, Energy Center. The Energy Center collects transportation and propane heating fuel prices from several retail providers located throughout the state. To preserve confidentiality, price data are averaged and reported by region. The Bulletin is a public resource made available to state government decision-makers, other interested individuals upon request and on-line at the Energy Center Internet address. The department thanks each of the following in helping to provide accurate, timely data on fuel supplies and prices: the U.S. Department of Energy's Energy Information Administration; the National Association of State Energy Officials; the St. Louis AAA Auto Club; regional state energy offices; and Missouri's energy retailers.

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